Remarks

Claims 7, 9-14, and 16-22 are pending in the instant patent application. Claims 7, 13, and 19 have been amended. No new matter has been added as a result of the amendments, and the amendments are for clarification purposes only, to provide a more precise statement of the claimed invention.

Applicant has not dedicated or abandoned any unclaimed subject matter and moreover have not acquiesced to any rejections made by the Patent Office. Applicant reserves the right to pursue prosecution of any presently excluded claim embodiments in future continuation and/or divisional applications.

Claim Rejections- 35 U.S.C. § 101

Claims 7, 9, 11-14, and 16-22 stand rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. The rejection is respectfully traversed. To remove the issue from any debate, further amendments have been made to clearly demonstrate the proper statutory class of the invention. It is respectfully contended that the claims prior to amendment were of proper subject matter. The amendments remove any doubt on this subject and as such the withdrawal of this rejection is respectfully solicited

Claim Rejections- 35 U.S.C. § 103

Claims 7, 9, 11-14 and 16-22 stand rejected under 35 U.S.C. 103(a) as being unpatentable over several references including Scheel (The Impropriety of Benefits-Premiums Ratios in Life Insurance Price Disclosure) and Donahue ("The Stable Value Wrap"). Applicant responds as follows:

The claims, as currently amended, are directed to a method, system and computer-readable medium for asymmetrically accounting an assessment in a stable value investment product, by adjusting an assessment by a ratio of stable value of said stable value investment product to market value of the stable value investment product to provide an adjusted assessment; applying the assessment to the market value; and applying the adjusted assessment to the stable value, wherein said market value and said stable value are maintained at the level of an individual insured, and wherein the level of put exposure following application of the assessment is unchanged relative to the level of put exposure prior to the application of the assessment.

What is stated above is absent from the cited references and the claims are distinguishable on that basis alone. In particular, the present invention involves a computer system to perform asymmetric

accounting operations on stable value funds in an insurance wrap product used to smooth out market bumps in valuation. As noted, the asymmetric accounting tracks the stable value and market value at the insured level. The resulting put exposure permits expanded use of the stable value products for older/higher risk clients who otherwise would not qualify for this useful product.

The foregoing attributes is clearly recited in one or more of the individual claims. These characteristics are however, totally absent from the references of record, including the newly cited Donahue article. In fact, the fifth line in Donahue confirms that accounting therein "depends on accounting for investments at contract value." Thereafter, the thrust of the article examines the differences in experience rated wrap contracts. Having expressed no recognition of the inventive features of the instant application, the generic math discussion (in Scheel) regarding fractions (ratios) is meaningless – and certainly offers no cure to the defects in the primary reference.

CONCLUSION

It is believed that all claims now pending in this application are in condition for allowance. Should the Examiner not agree, the Applicant respectfully asks the Examiner to contact the undersigned at 212-309-2102 (direct line) to discuss any remaining issues and accelerate the examination and allowance of this application. Authorization is granted to charge any outstanding fees due at this time for the continued prosecution of this matter to Morgan, Lewis & Bockius LLP Deposit Account No. 50-0310 (Client Matter No. 064385-5012US).

Respectfully submitted,

Date: May 7, 2009

James M. Bollinger (Reg. No. 32,555)
Tel.: (212) 309-6000
Morgan, Lewis & Bockius LLP
Customer No.: **09629**